GOVERNMENT OF MADRAS.

Old Sects. II-28, New Sects. II-16—71,006—28-1-55.

Pub (P.P.E.) (1955) Department.

~~Endorsement~~
~~D.O.~~
~~Memorandum~~ ✓
~~Lodged~~

No. 4618 P.P.E./55-5

Dated 12-3- 1956

Pmw

Sd

Submit

FURTHER PAPERS.

Department.	Number.	Series.	Date.

No.CPA-7(6)/IV/Ed/55
GOVERNMENT OF INDIA
COMMUNITY PROJECTS ADMINISTRATION

New Delhi, 9th July, 1955.

To

The Deputy Secretary to
the Government Of Madras,
Public (R.D.P.II) Deptt.,
Fort St. George,
MADRAS.

ASSISTANT SECRETARY TO GOVERNMENT
4618
13 JUL 1955
RURAL DE

Subject:- Community Projects - South Kanara Project area - Loans to ryots under the Land Improvement Loan and Agriculturists Loan Acts - Allotment sanctioned - Brief details of the scheme.

Sir,

Please refer to your letter No.3071 B.D.P.II/55-2 dated the 20th June, 1955 on the above subject, forwarding a copy of the P.E.O's letter No.1389/54 F(2) dated 11.5.1955. This latter communication does not still clarify the position inas much as the justification for debiting the cost of reclamation to the provision earmarked for irrigation has not been furnished. It will be appreciated if precise nature of the schemes which have been taken up and their respective financial allotments could be communicated to this Administration.

Yours faithfully,

(S.S. SHIVAPURI)
Under Secretary

KK/9.7

2

Pub(RDP II)

Endtt No 461 & Pub(RDP II)/SS-1 dt 25/7/91:

Referred to the P.E.O Mangalore for urgent remarks.

21/7/SS

24/7/SS

To
The P.E.
Mangalore

CENTRAL DESPATCH BRANCH
Date 195
Despatched by
Despatcher's Initials

Note: The draft endtt above is submitted for approval. A self contained letter to the C.P.A will be put up after examining the P.E.O's Report after it is received. So there will be no post. office work

21/7/SS

24/7/SS

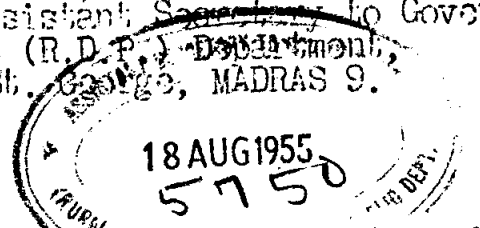
SS

Ref.1389-54.F.(2).

Project Executive Office, S.K.,
Mangalore. Dated 10-8-1955.

From
Sri H. Narasimha,
Project Executive Officer,
South Kanara, Mangalore.

To
The Assistant Secretary to Govern
Public (R.D.P.) Department,
Fort St. George, MADRAS 9.



Sir,

COMMUNITY PROJECTS (SOUTH KANARA) - Loans to ryots under the I.I.I. and A.L. Acts - Allotment sanctioned - Brief details of the scheme - Further remarks called for - Interim report submitted.

-o-

Ref:- Government endorsement No.4618 R.D.P.II-55-1 dated 25-7-1955.

-o-

I request a fortnight's time to submit my report to Government reference cited above, as certain detailed information has been called for from Assistant Project Officers.

PROJECT EXECUTIVE OFFICER,
SOUTH KANARA.

Pub(R.D.P.II)
To AS
submitted for perusal [NR. 25-8-55]
Un/18.8.55
22/8/55

Pub(RDP II)

Memo No 4618 Pub(RDP II) 5 4/5

5-2dt

C.P.S (South Kanara) - Loans to the ryots under the L.I.L and A.L. Acts Allotment Sanctioned - Brief details of the Scheme.

From the P.E.O, Mangalore
Ref 1389-54 F(6) dt 10.8.55

The P.E.O
Mangalore is requested to state whether the detailed information called

2 6

for from the A. P. O S
has been received
and if so, when his final
report in the matter
may be expected.

V. L.

To

The P. E.
Mangalore

4/5/S.ST

8191 M.S. [illegible]

Pub (RoP II) 1

Memo no 4618 Pub RoP II/55-389/1

Urgent

Sub:- Community Progress
— South Kamrup Project Area
Loans to the Byes under the
L.I.L and A.L Acts
— Allotment Sanctioned
Brief Details of the Scheme.

Ref:- From the P.Eo Rangiya
Ref 1389-54 F(2) dt 10.8.55
Govt Memo no 4618 Pub RoP II/55
dt 14/9/55

P3 cf

for S-tef

The P. Eo Rangiya is
requested to expedite his

as early as possible.

final Report in the matter. L

the matter may be treated as

very urgent

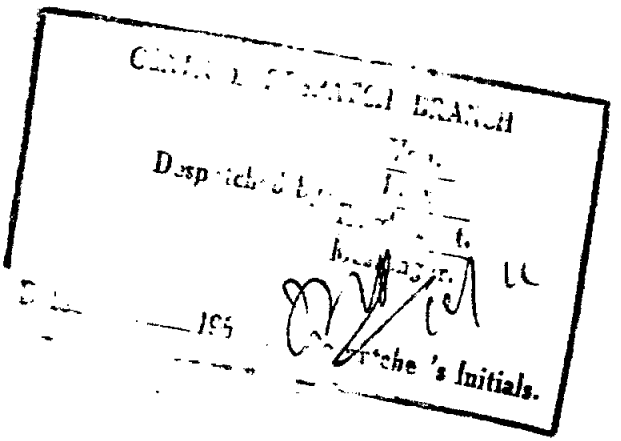
To

THE P.E.O

Meerut.

RD. 30.4.

SS



REF.NO.1389/54.F. Project Executive Office, S.K., Mangalore, dated 24--12--1955.

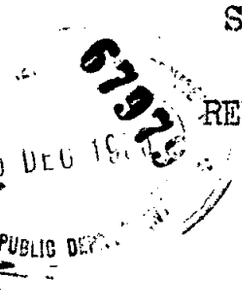
From
Sri H. Narasimha,
Project Executive Officer,
South Kanara, MANGALORE.

To
The Assistant Secretary to
Government, Public (RDP)
Department, MADRAS.

Sir,

COMMUNITY PROJECT--South Kanara--Loans to the ryots under the L.I.L. and Agriculturists Loans Act--Allotment sanctioned--Brief details of the Scheme.

-:o:-



REF:- 1. This office Ref.1389/54-F (2) dated 10--8--1955.
2. Government Memo.No. 4618, Public (RDP) -II/55-2, dated 14--9--1955.
3. Reminder dated 9--11--1955.

-:o:-

The report called for in Government Endorsement No.4618- RDP-II-55-1, dated 25--7--1955 was submitted with this office Ref.1389/54 -F (2) dated 10--9--1955.

Government Memo.No.4618 Public (RDP)-II/55-2, dated 14--9--1955 does not appear to have been received in this office.

Yours faithfully,

PROJECT EXECUTIVE OFFICER.

UN/26-12-55.

Public Roads

Memo No. 4618 RDP V/55-4 dt 10-1-56

Sub: C.P. — S. Kanara — Loans to the ryots under the L.I.L. and A.L. Act — Allotment sanctioned — Brief details details of the scheme

P. 9 e.f

Ref: From the P.E.O., Mangalore letter No. 1389/54-F. dt 24-12-55.

The P.E.O, Mangalore is informed that the report said to have been sent in his letter No. 1389/54-F (2) dt 10-9-55 to the Govt. Memo. No. 4618 RDP II/55-1 dt 28-7-55 has not been received here. He is requested to send a duplicate copy of it immediately.

To

The P.E.O, Mangalore
M.R.D.

9/56

9/1

CENTRAL DESPATCH BRANCH
Date Initials

REF: 1389/54.F.

Project Executive Office, S.K.,
Mangalore, dated 28- 1- 1956.

13

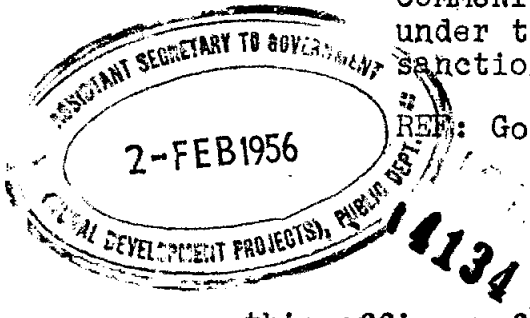
From
Sri. H. Narasimha,
Project Executive Officer,
South Kanara, MANGALORE.

To
The Asst. Secretary to Government,
Public (R.D.P.) Department,
Fort St. George, MADRAS- 9.

5

Sir,

COMMUNITY PROJECT--South Kanara--Loans to ryots under the L.I.L. Act and A.L. Act--Allotment sanctioned--Brief details of the scheme--regarding.



REF: Govt. Ref.No.4618 Pub.(R.D.P.) V/55-4
dated 10--1--1956.

--

I am submitting herewith a copy of this office reference No.1389/54-F dated 10--9--1955.

Yours faithfully,

Project Executive Officer.

JC/29-1-56.

29/1

Copy of Report Ref.C.No.1389-54 F(2)/of the Project Executive Officer, South Kanara, Mangalore to the Assistant Secretary to Government, Public (RDP) Department, Fort St. George, Madras

-:o:-

COMMUNITY PROJECT--South Kanara--Loans to ryots under the L.I.L. and A.L. Acts--Allotment sanctioned--Brief details of the scheme--Further remarks called for--Report--Submitted.

REF: Government Endorsement No. 4648-RDP II-55-1, dated 28-7-1955. (S)-1194

(S)-1367 In my Ref.1389-54- F dated 11-5-1955 in reply to Government endorsement No.3071- Public (RDP II) 55-1, dated 4-5-1955, it was explained that as the allotments of Rs.5 lakhs provided under 'Irrigation' and Rs.3 lakhs provided under 'Agriculture' were for the grant of loans for specific purposes only like purchase of seeds and manure and pumpsets, it was necessary to obtain a separate allotment of Rs.50,000/- for grant of loans for purposesother than purchase of seeds and manure and pumpsets, like construction or repairs of wells and tanks, reclamation of waste lands and construction and repairs of cattle shed, coming under the purview of Land Improvement Loans and Agriculturists Loans Act. The various purposes for which the allotment of Rs.50,000/- now under reference was obtained was furnished in detail in my report Ref.C.No.1389-54 F(2)dated 7-4-1955 in reply- reply to Government Memo.No.2087 Public (RDP)II-55-1, dated 4-4-1955. This allotment was necessary as the Assistar Project Officers and Project Executive Officer were empowere to grant loans under A.L. and L.I.L. Acts within Community Project area ousting the jurisdiction of the Tahsildars an Revenue Division Officers. A list of cases showing the is of loans and the purposes for which they were issued is enclosed. Out of specific allotment of Rs.50,000/-, a sum o Rs.22,650/- was so far granted for different purposes as shown below:-

1. For construction or repair of wells or tanks (irrigation purpose)	Rs.15,050/-.
2. For construction of fields re or bunds (Reclamation purpose)	Rs. 6,650/-
3. For the construction or repair of cattle shed (Agriculture purpose)	Rs.

From the above, it is seen that the total issue of loans for non-irrigation purposes comes to Rs.7,600/-.

3. From the Community Projects Administration's letter, communicated in letter No.C.P.A. 7(6)W/Bd/ 55 dated 29-4-1955, it is seen that purposes such as construction or repairs of wells and tanks are also purposes of irrigational facilities. In view of this, it seems that the Government order issued in G.O. Ms.No. 177 Public (RDP) Department, dated 19-1-1955 may be modified by deleting the words "for purposes other than improvement of irrigational facilities". This may kindly be considered.

4. Regarding para 2 of the Community Projects Administration's letter dated 29-4-1955, it was pointed out by me in my report Ref.1389-54-F (2) dated 11-5-1955, that as the expenditure under reclamation of lands will be very little, the allotment being intended mainly for grant of loans for the construction or repairs of wells and tanks, it is not necessary to divert the amount from 'Irrigation' to the head 'Reclamation'.

5. If the loans for Irrigation purposes under the L.I.L. and A.I. Acts need not be spent from the special allotment of Rs.50,000/-, this amount may be ear-marked for purposes other than 'Irrigation' by diverting it from the overall allotment under that head ~~as per~~ and permission may be given to incur the expenditure for loans for Irrigation facilities from the main allotment.

SD. H. NARASIMHA.
PROJECT EXECUTIVE OFFICER.

-/True Copy/-

from the above, it can then be total income
of Income for non-agricultural purposes = Rs. 1,60,000/-
From the Computation of Income-tax under Income-tax
Officer, communicated in letter No.C.No. 1/2 dated
Section 24-(1)(a), it is not clear whether the
receipts of Rs.1,00,000 was also purposes of income
from property. In order to find out, it was necessary
to get clarification in the matter from the Income-tax
Officer by a letter dated 25-1-19. As no reply
was received by us till the date of finalising the
Assessment in Income-tax (CIT) dated 15-2-19, it is
presumed that the receipts of Rs.1,00,000 was also
income from property and not from business.

Computation of Income and Tax Liability

Income from House Property	
Gross Annual Value	1,00,000
Less: Municipal Taxes	10,000
	90,000
Less: Interest on Loan	30,000
	60,000
Income from Business	1,60,000
Gross Total Income	2,20,000
Less: Deductions under Chapter VI-A	
Section 80-C	12,000
Total Income	2,08,000
Tax on Rs.2,08,000	30,000
Add: Surcharge @ 10%	3,000
	33,000
Add: Education Cess @ 2%	660
Tax Liability	33,660

Note: Interest on loan for purchase of house property
is allowed on accrual basis and not on payment basis.
Hence the entire interest for the year has been
claimed as deduction.

If the loans for Investigation subsequently
found to be used for purposes other than
for the purpose of business, the same will be
disallowed in the year in which such finding is
recorded. Note must be taken of the special clause
in the sanction letter of the loan which says that
the loan is to be used for the purpose of business
only and for no other purpose. Any violation of
this clause for the contravention of any of the terms and conditions
is not necessarily to attract the penal provisions under the
Income-tax Act.

Public (RDP)-V Deptt.

LETTER No.4618 Pub.(RDP)-V/55-5 d/- 12-3-56

To

The Under Secretary,
C.P.A., NEW DELHI.

Sir,

Sub:- C.PS - S.Kanara Project area - Loans to ryots under the L.I.L. and A.L.Acts - Allotment sanctioned - Brief details of the scheme.

Ref:- Your letter No.CPA.7(6)/IV/Bd/55 dated 9-7-55.

--

I am directed to state that in P.E.O.'s letter No.1389/54-F dated 11-5-1955 enclosed with this Govt.'s letter No.3071 Pub.(RDP)-II/55-2, dated 20-6-55 it was explained that, asthe allotments of Rs.5 lakhs provided under 'Irrigation' and Rs.3 lakhs provided under 'Agriculture' were for the grant of loans for specific purposes only ~~like~~ purchase of seeds and manure and pumpsets, it was necessary to obtain a separate allotment of Rs.50,000/- for grant of loans for purposes other than purchase of seeds and manure and pumpsets, ~~like~~ construction or repairs of wells and tanks, reclamation of waste lands and construction and repairs of cattle shed, coming ~~under~~ the ~~purview~~ of Land Improvement Loans and Agriculturists Loans Act. Out of the allotment of Rs.50,000/- sanctioned in G.O.Ms.No.177, Pub.(RDP) dated 19-1-55,a sum of Rs.22,650/- has so far been spent for different purposes as shown below:

(i) For construction or repairs of wells or tanks	Rs. 15,050
ii) For the construction of fields or bunds	6,650
iii)For construction or repair of cattle shed	950
	22,650

It will be seen that no amount has so far been

p.t.o.

Public (RDP)-V Deptt.

Sub:- C.PS - South Kanara - Loans to ryots under the L.I.L and A.L. Act - Allotment - sanctioned - Brief details of the scheme.

Ref:- From the CPA No.CPA.7(6)/IV/Bd/55 d/- 9-7-55.
Issued as Endt.No.4618 Pub.(RDP)-II/55-1 dated 24-7-55.
From the P.E.O., Mangalore No.1389/54-F dated 28-1-1956.

In G.O.Ms.No.177, Pub.(RDP) dated 19-1-55 sanction was accorded to the disbursement of a sum of Rs.50,000/- as loans to the ryots in the S.Kanara Project area under the L.I.L. and A.L.Acts for purpose other than improvement of irrigational facilities. The CPA in his letter No.7(6)/IV/Bd/55 dated 29-4-55 observed that though the loan was sanctioned for other than irrigational purposes the P.E.O's letter enclosed with Letter No.2087 Pub.(RDP)-II/55-2, dated 18-4-55 would show that the loan would be utilised for construction or repairs of wells and tanks and reclamation of waste lands and that the discrepancy might be rectified. The CPA also pointed out that the amount required for reclamation should appropriately be provided under head 'D.Reclamation'. A reply to the CPA was sent in the letter at p. 7 c.f. of (S) and thereupon the CPA has in its letter at p. 1 c.f. has stated that the position is still not clear as the justification for debiting the cost of reclamation to the head 'Irrigation' has not been furnished. The C.P.A. also desires to have precise nature of the schemes which have been taken up.

In this connection attention is invited to the letter of the P.E.O. at pp. 15-17 c.f. He has furnished the expenditure so far incurred for the various schemes out of the allotment of Rs.50,000/-.

It will be seen that no amount has so fa

been spent for reclamation - Vide item 2 at 'A' on p.15 c.f. It may be stated that construction of fields or bunds will come under 'Agriculture' and not under 'Reclamation' as classified by the P.E.O.

The C.P.A. may be informed of the purposes for which an amount of s.22,650/- has so far been spent. They may also be told that no amount has so far been spent on reclamation. Subject to orders a draft letter is submitted below for approval.

As all items of expenditure so far incurred comes under 'Agriculture' no action seems called for with reference to paras 3 & 5 of P.E.O.'s letter at p. 17 c.f.

25/2/56
25/2/56
25/2/56

Amending the draft to state the facts noted by P.E.O. at X

27/2

With ref to the D.S's orders above an amplified draft letter is submitted below for approval.

8/3/56

No.CPA-7(6)/IV/Bd/55
GOVERNMENT OF INDIA
COMMUNITY PROJECTS ADMINISTRATION

New Delhi, 2nd April, 1956.

To

The Deputy Secretary to
the Government of Madras,
Public(R.D.P.II)Deptt.,
Fort St. George,
MADRAS.

46122

Subject:- Community Projects - South Kanara Project Area - Loans to ryots under the land improvement - Loan and Agriculturists loan Acts - Allotment sanctioned Brief details of the scheme.

UNDER SECRETARY TO GOVERNMENT 5-APR 1956 PUBLIC (R.D.P.) DEPARTMENT

Sir,

Please refer to your letter No.4618 Pub. (R.D.P.)-V/55-5 dated the 12th March, 1956, on the above subject.

In this connection it may be pointed out that item(iii)construction or repair of cattle shed-Rs.950/-, cannot appropriately be charged to the head Irrigation, as it is an item of 'A.H.& Agriculture Extension'.

Yours faithfully,

(S.S. SHIVAPURI)
Under Secretary